

***United States Court of Appeals
for the
District of Columbia Circuit***



**TRANSCRIPT OF
RECORD**

IN THE
**United States Court of Appeals
for the District of Columbia**

APRIL TERM, 1937

—
No. 7021
—

SPECIAL CALENDAR

201

—
UNITED STATES OF AMERICA
EX RELATIONE JOHN WILLIAM WHITE, *Appellant*
vs.

CONWAY P. COE, COMMISSIONER OF PATENTS, *Appellee*

—
**APPEAL FROM THE DISTRICT COURT OF THE
UNITED STATES FOR THE DISTRICT OF
COLUMBIA**

—
BRIEF FOR APPELLANT WHITE
—

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INTRODUCTION

This brief is in behalf of petitioner appellant, John W. White, in support of his appeal from a decision of the District Court of the United States for the District of Columbia. The decision appealed from denied (without opinion) to petitioner appellant a writ of man-

damus sought by petition to be directed to the Commissioner of Patents.

STATEMENT OF FACTS

Petitioner appellant John W. White, has a patent application which has been involved in an interference proceeding in the Patent Office with a patent No. 1,946,759, inadvertently issued on February 19, 1934, jointly to one Kenneth D. Preston and one Hamilton Ward Preston. The Board of Appeals of the Patent Office awarded priority to petitioner appellant White. The party Preston et al then gave notice allegedly under the provisions of Section 4912 of the Revised Statutes of a proposed appeal to the United States Court of Customs and Patent Appeals (Rec. p. 7). Thereafter and within twenty days after the alleged notice of appeal, petitioner appellant gave notice to the Commissioner of Patents of petitioner appellant's election to have all further proceedings conducted as provided in Section 4915 of the Revised Statutes (Rec. p. 10). Petitioner appellant's notice thus given to the Commissioner of Patents was in accordance with the following language of Section 4911 of the Revised Statutes:

“* * * Provided that such *appeal shall be dismissed*, if any adverse party to such interference shall within twenty days after the appellant shall have filed notice of appeal according to Section 4912 of the Revised Statutes, file notice with the Commissioner of Patents that he elects to have all further proceedings conducted as provided in Section 4915 of the Revised Statutes * * *.”—(*Emphasis ours.*)

It is not disputed that petitioner appellant is an "adverse party," nor that petitioner appellant made a timely filing of a notice to elect an equity suit as specified by the Statutes from which quotation has just been made.

The patentees Preston and Preston defaulted in filing a bill in equity within thirty days from petitioner appellant's notice of election and in notifying the Commissioner thereof. The respondent (appellee herein), Commissioner of Patents, refused (Rec. p. 11) to dismiss the alleged appeal in accordance with appellant's notice and thereafter upon request for reconsideration (Rec. p. 12) repeated the refusal (Rec. p. 17). He further refused to proceed with petitioner appellant's application stating as justification that a patentee has no right to file a bill in equity under Section 4915 R. S. and that notwithstanding the language of the Statute a patentee has a right to appeal to the United States Court of Customs and Patent Appeals from the decision of the Board of Appeals of the Patent Office which appeal may not be dismissed at petitioner appellant's statutory election.

The Commissioner of Patents persisted in his refusal notwithstanding petitioner appellant's argument that it deprives an appellee (petitioner appellant here) of his right to an equitable remedy, which right has existed since 1837 and which right Congress intended to preserve when the Revised Statutes 4911 and 4915 were amended in 1927 by insertion of the election feature.

THE PLEADINGS

Appellant White seeks to compel the Commissioner of Patents, the appellee, by writ of mandamus brought in the lower court, to dismiss the appeal proposed by

said patentees Preston and Preston and to proceed according to the Statute. In the petition (Rec. p. 1) for the writ of mandamus, appellant asked that the Court instruct the Commissioner of Patents to dismiss the alleged appeal, to refrain from completing it, to proceed according to Section 4911 of the Revised Statutes (as if the appeal had been dismissed) in the examination of petitioner appellant's patent application Serial No. 718,863, and for other appropriate relief. In the petition, appellant alleged refusal by appellee respondent to perform a ministerial duty imposed by statute. Appellee, the respondent, Conway P. Coe, Commissioner of Patents, attempted to justify his refusal on legal grounds (Rec. p. 18). He admitted all material allegations of the petition. The issue being simply one of law, it was brought to trial by appellant's demurrer to the answer (Rec. p. 22). The demurrer was overruled (Rec. p. 24) without opinion.

THE ISSUE INVOLVED

The answer and demurrer raise a clear issue of law. The issue raised is as to the interpretation of Section 4911 of the Statute.

Two questions are presented as follows:

A. Whether a patentee appellant in an interpartes interference may maintain an appeal to the Court of Customs and Patent Appeals against the election of an adverse party thereby depriving that adverse party of an equity review.

B. Whether a patentee in an interpartes interference may appeal to the Court of Customs and Patent Appeals in any case.

Appellant contends that it was never intended by Congress to confer by R. S. 4911 a right upon a patentee to continue by appeal his obstruction to the issue

of a patent to one deemed by the Patent Office to be the first inventor. Appellant contends that such a construction of the Statutes vitiates the most important feature thereof, the feature in which it differs from the preceding Statutes of which it took the place; namely, the right of election of an equity appeal.

OUR CASE IN BRIEF

We submit that there is an issue between appellant White and appellee, the Commissioner, on the question of the proper construction of Section 4911 of the Revised Statutes.

We quote the statute below with three alternative marginal constructions.

The constructions marked A are the necessary constructions for an interpretation according to our answer to the question A above.

The construction marked B is the necessary construction for an interpretation according to our answer to the question B above.

The construction marked C of P is that construction which we believe necessary to justify the interpretation which the Commissioner of Patents has placed upon the Statute.

The adoption of either construction A, B, or C of P of course precludes the other constructions.

“Sec. 4911. (U. S. C., title 35, sec. 59a).
If any applicant is dissatisfied with the decision of the Board of Appeals, he may appeal to the United States Court of Customs and Patent Appeals, in which case he waives his right to proceed under section 4915 of the Revised Statutes. (U. S. C., title 35, sec. 63). If any party [↑] to an

applicant

(B)

interference is dissatisfied with the deci-

except where
appellant is a
patentee

(C of P)

or Section 4918

if an applicant

(A)

sion of the Board of Appeals, he may appeal to the United States Court of Customs and Patent Appeals, provided that such appeal shall be dismissed if any adverse party to such interference [↑] shall within

twenty days after the appellant shall have filed notice of appeal according to section 4912 of the Revised Statutes (U. S. C., title 35, sec. 60), file notice with the Commissioner of Patents that he elects to have all further proceedings conducted as provided in section 4915 of the Revised Statutes.

Thereupon the appellant [↑] shall have thirty days thereafter within which to file a bill in equity under said section 4915, in default of which the decisions appealed from shall govern the further proceedings in the case. If the appellant shall file such bill within said thirty days and shall file due proof thereof with the Commissioner of Patents, the issue of a patent to the party awarded priority by said Board of Appeals shall be withheld pending the final determination of said proceeding under said section 4915."

As we shall point out, our interpretations follow the intent of Congress throughout the history of patent legislation. Either follows the congressional purposes as expressed in the discussion before the committee at which this Statute was passed. Either eliminates the chain of a large number of successive appeals which Congress was attempting to eliminate at the time of the passage of the Statute. Either retains the right in either party to have an equity appeal if he so elects.

Either does no violence to the statutory language which says that the appeal *shall be dismissed*. Our

constructions are such as to carry out the intent of the Statute and are such that the Statute may stand as a whole.

Finally, if our constructions are correct, then the construction assumed by the Commissioner and by the Court of Customs and Patent Appeals in the case of *Farmer et al v. Schweyer* 58 Fed. (2d) 1056 (C.C.P.A.) is incorrect, the alleged appeal to the Court of Customs and Patent Appeals should be dismissed, and the Commissioner should proceed with the granting of appellant's patent.

In accordance with the above, the patentee has, under the Statute, either no right of appeal to the Court of Customs and Patent Appeals or, if he ever has such a right of appeal, he loses it by the filing by the adverse party of a notice of election. We submit that the construction assumed by the Patent Office and by the Court of Customs and Patent Appeals is wholly unfair to applicants and gives too great a benefit to patentees at the expense of opposing applicants. We submit that the Federal decisions relied on by the Court of Customs and Patent Appeals in *Farmer et al v. Schweyer*, 58 F 2 1056 (C.C.P.A.) instead of supporting the decision therein, in fact tend to the opposite conclusion and that the Commissioner's ruling affirmed by the court in the *Farmer et al v. Schweyer* case is incorrect.

We submit that mandamus is the proper remedy and that this Court should instruct the Commissioner of Patents to perform his ministerial duty herein. We submit that our remedy at present is that the District Court instruct the Commissioner to proceed with the examination of appellant's application and grant him a patent therein as if the appeal to the Court of Customs and Patent Appeals had never been filed, or if filed had been dismissed.

CONSTRUCTION OF STATUTE

In General

The issue is the meaning of Section 4911 of the Statute. The decisions of the Courts touching this section have shown that it is not without ambiguity and must be in some way construed. It seems inconsistent with itself.

The only decisions which have purported to construe Section 4911 have been decisions by the Commissioner of Patents and by the United States Court of Customs and Patent Appeals. The Sixth Circuit decisions involved cases where no appeals were attempted under Section 4911. The opinions therein expressed on Section 4911 were therefore dicta.

The stand of the Commissioner is based almost wholly on the affirmance of the Court of Customs and Patent Appeals in the case of *Farmer et al v. Schweyer*. It will become necessary, therefore, to consider very carefully this opinion, the reasons which induced the Court to render the decision, the effect of the procedure under the decision, the intent of Congress in passing the Statutes under consideration, and the history of the Statute and its preceding Statutes. It will also be necessary to consider the rules of construction of Statutes as applied to the Statute under consideration.

Interpretation B

According to our interpretation "B" above the word "party" occurring in the second sentence of Revised Statutes, Section 4911 may be construed to read "party applicant." According to the Commissioner's interpretation the term "adverse party" occurring about thirty-six words later in the Statutes must be construed

to read "adverse party except where appellant is a patentee." In either interpretation (B or C of P) the respective words "party" cannot be given the broadest possible meaning. Upon the face of things our interpretation B does less structural violence to the language of the Statute. Besides the advantage of simplicity, our interpretation B effectuates the statutory purpose of avoiding the old chain of five successive patent appeals. It yields the advantage of bringing a party who chooses an adjudication in a constitutional judicial tribunal more directly to this type of tribunal. It does not deprive any party of that long established right of equity adjudication.

So far as appellant is advised, the proper construction of this portion of the Revised Statutes, Section 4911, has not before been raised in this Court. On the other hand, the construction of the Statute followed by the Commissioner of Patents and approved by the United States Court of Customs and Patent Appeals in the case of *Farmer et al v. Schweyer* is different from that expressed as dicta in the opinion of the Circuit Court of Appeals in the Sixth Circuit in *Heidebrink v. McKesson*, 53 F. (2d) 231. There being this apparent conflict of opinions between the Sixth Circuit Court of Appeals and the Court of Customs and Patent Appeals, it is quite appropriate for this Court to choose between these two interpretations.

Both the Commissioner of Patents and the United States Court of Customs and Patent Appeals assume that Section 4911 confers upon the patentees Preston and Preston the right of appeal which they have asserted. The Court of Appeals in the Sixth Circuit expressed the opinion that it is obvious that Section 59A (4911) was designed by Congress to apply only to cases of interference proceedings between pending applications.

Interpretation A

According to our interpretation A above, substantially no change is presented other than the mere express suggestion that at the election of an adverse party the appellant to the Court of Customs and Patent Appeals may file a bill in equity under R. S. 4915 or if the appellant be a patentee, when the adverse party's patent issues, may file a bill in equity under R. S. 4918. The express suggestion of relief under R. S. 4918 in R. S. 4911 is unnecessary for in fact R. S. 4918 provides for that very relief and it is only necessary to consider them together.

When an adverse party elects, the appellant is required to file a bill in equity under 4915. Failing to file a bill either for lack of desire if an applicant or for inability to comply with R. S. 4915 if a patentee, will place the appellant in default. The adverse parties patent will then issue. If the appellant is a patentee, he then has an equitable right under R. S. 4918.

If an applicant appellant, upon election by an adverse party, fails to file a bill in equity, his appeal under R. S. 4911 *shall be dismissed* and his right of appeal either under R. S. 4911 to the Court of Customs and Patent Appeals, or by a bill in equity under R. S. 4915 is forever lost.

If the appellant is a patentee, the appeal should be dismissed at the election of an adverse party. If it is not, the adverse party is dragged into the Court of Customs and Patent Appeals against his will, and once the appeal is pending or has been decided, “* * * no action may be brought under this section * * *” (R. S. 4915). Thus, when a patentee takes an appeal, the refusal to dismiss that appeal when an adverse

party elects, automatically deprives and forever bars the adverse party from an equity remedy. In amending the Statutes 4911 and 4915 in 1927 Congress never intended to take away a long established right, that of an equity review. It merely required the appellant to choose his form of appeal, but nevertheless subject to the adverse parties election when appeal is taken to the Court of Customs and Patent Appeals.

Interferences between a patentee and one or more applicants are the result of an inadvertent issuance of the patent. The interference should have been instituted prior to the grant of the patent.

Inadvertent issuance of a patent before the institution of interference proceedings should not deprive an interfering applicant of his usual equitable remedy under 4915. The adverse party should not be subject to the election of the patentee appellant by his appeal under 4911 over applicant's protest. If in the White and Preston interference, the appeal is heard, and decided against applicant (White, petitioner appellant here) applicant will be deprived of his equitable remedy under 4915. Revised Statute 4911 gives the right of election to the appellee. The Commissioner's construction of 4911 in effect gives the right of election to the patentee appellant, and in doing so deprives appellee of his right to an equitable remedy, which right has persisted since 1837, and which right Congress intended to preserve when the Statutes 4911 and 4915 were amended in 1927.

The patentee in taking such appeal has nothing to lose. He has his patent and the entire proceeding is merely an opposition proceeding. If the patentee's appeal were dismissed by the election of the adverse party, thereby allowing the interfering application to become a patent in accordance with the determination

of the Patent Office, then R. S. 4918 (under which an Equity Court can "declare either patent void in whole or in part upon any ground") would clearly apply. Then all parties in such an appeal (by bill in equity) would come under the jurisdiction of the Equity Court. The inadvertent patentee would then risk his patent as distinguished from the situation where the Court of Customs and Patent Appeals has no jurisdiction to declare the patentee appellant's patent void or invalid, or in fact do anything adverse to the patentee appellant other than render another adverse decision against him. Even after such an adverse decision, under the present procedure, the patentee appellant can still harass appellee under R. S. 4918 as occurred in the *Bloodhart v. Levernier*, 64 Fed. (2d) 367, and *Midland Chemical Laboratories v. M. W. Levernier* filed April 10, 1934 (D. C., N. D., Ind., Fort Wayne) Doc. E 316; (a suit under R. S. 4918) 444 O. G. 260.

Ambiguity

If the word "party" occurring in the second sentence of the section of the Statute and the term "adverse party" occurring about thirty-six words later in the Statute are given their broadest possible meanings, we have the result that both applicants and patentees may appeal under this section to the Court of Customs and Patent Appeals and further that such appeals shall be dismissed if the adverse party files a notice of election. We have the further result that in such a case where a patentee appeals and the adverse party files a notice of election, the appellant may under the third sentence of Section 4911 have thirty days to file a bill in equity under Section 4915. But the Federal Court has said, *McGregor v. Chesterfield*, 31 F. (2d) 791, that a patentee cannot file a bill in equity under Section 4915. Thus there is no possibility of giving to

each of the words "party" in the second sentence of Section 4911 its broadest meaning, unless we adopt our interpretation A to its effect that where appellant is a patentee, the opposing party's election is to have the further proceedings either under Section 4915 or 4918.

Commissioner's Interpretation

The first sentence of Rule 149 of the Rules of Practice of the Patent Office after 1927 read as follows:

"If a defeated party to an interference proceeding (—) appeals to the United States Court of Customs and Patent Appeals, his appeal will be dismissed if any adverse party to the interference shall within twenty days after the appellant shall have filed notice of appeal to the Court, file notice with the Commissioner that he elects to have all further proceedings conducted as provided in Section 4915 R. S."

This was a logical interpretation of the Statute. But by Order No. 3247 issued July 25, 1933, the Commissioner inserted after the words "interference proceeding" the words "who is an applicant." Thus the Commissioner apparently holds that Section 4911 is intended by Congress to apply also to cases of interference between a pending application and a patent *without the restriction* "shall be dismissed." So holding, the Statute needs to be interpreted. The Commissioner *did* interpret it by the amendment of Rule 149 so that it would indicate that the proviso applied only to applicants, and still the Commissioner avoided suggesting that an appeal was *not* available to patentees, as had already been suggested by *Heidebrink v. McKesson*, 53 Fed. (2d) 321. This amendment to Rule 149 was made because the Commissioner believed that his first construction of the law was not adopted by the

Courts: It also emphasizes that his *first* understanding of the Statute was the proviso applied as well to patentee-appellants.

Obviously, the construction of the Statute wherein a patentee is given a right of appeal without the prescribed restriction presents considerable difficulty. It requires the amendment of the words "adverse party" in the second sentence of Section 4911 by the addition of "except where appellant is a patentee." It also requires that the word "appellant" in the next sentence shall be amended to "appellant if an applicant." This wholesale amendment of the Statute, in order to make it consistent according to the Commissioner's interpretation, certainly casts considerable doubt upon the reasonableness of that interpretation.

The apparent reason that the Commissioner of Patents amended Rule 149 and construed Section 4911 Revised Statutes so as to amend it, was the holding in the McGregor case. In the *Farmer et al v. Schweyer* case the Commissioner held as he does in the case on appeal here presumably as a result of the McGregor case, and the ruling of the Commissioner therein was sustained by the Court of Customs and Patent Appeals.

The Commissioner in his interpretation of the McGregor and Heidebrink cases apparently considered that those cases held that a patentee losing party in an interference has no right to file a bill in equity and that his only remedy is by an appeal to the U. S. Court of Customs and Patent Appeals. He so alleges in his answer (Rec. p. 18). This interpretation is (as we shall see in a later section of this brief entitled "Federal Decisions") obviously incorrect.

Apparently the Commissioner of Patents and the U. S. Court of Customs and Patent Appeals *assume* that the patentees must have some immediate right of

appeal and that the section in question confers upon patentees the right of appeal which they have asserted. But as we shall see, this is not necessarily so. The Court of Appeals of the Sixth Circuit expressed the opinion in the Heidbrink case that it is,

“obvious that section 59a (4911) was designed by Congress to apply only to cases of interference proceedings between pending applications.”

Patentee does not need an appeal to the Court of Customs and Patent Appeals. He has his patent. The same reason as that which has been given to prevent him from bringing a bill in equity under Section 4915 (namely that he cannot obtain a patent thereby because he already has a patent) also nullifies his right to appeal to the Court of Customs and Patent Appeals for neither can he obtain a patent there.

Finally as we shall presently see, the Commissioner's interpretation is contrary to the intent of Congress.

History of Statute

We believe that a review of the pertinent legislation and procedure prior to the 1927 revision and consideration of the hearings before Congress plainly indicate that Congress had no intent to give to patentees any such right of appeal. Prior to 1836, the United States Patent System was a registration system. However, when the patent system of the United States was organized as an examination system in its present form in 1836, provision was then made for suits between interfering patentees and for suits brought by applicants against interfering patentees so as to provide inventors with a remedy in equity in a court of general jurisdiction against patentees who have wrongfully obtained

patents. Throughout the history of the United States patent system, these provisions have been continued. They are now in complementary Sections 4915 and 4918 *which both grew out of the single Section 16 of the act of 1836.*

Section 4911 was enacted March 2, 1927, to take the place of a former section of that number, which was repealed at the same time. The repealed section provided for appeals from the Commissioner of Patents, the final authority in the Patent Office in both *ex parte* and in contested cases (interferences) to the Patent Office Appellate Court. The substituted section is in substance the same (with modification appropriate to the newly established tribunal, the Board of Appeals) with the addition of a proviso intended to give to all adverse parties a right of election to proceed by a bill in equity. The Statute provides that in case of such election to proceed in equity the appeal shall be dismissed. It was specifically intended that the right to an equity appeal should be retained.

In hearing appeals in patent cases the Court of Customs and Patent Appeals has the same jurisdiction that the Court of Appeals, D. C. had in trying such patent appeals. As said by the Supreme Court of the United States in the case of *Postum Cereal Company, Inc. v. California Fig Nut Company*, 272 U. S. 693, such a decision "is not a judicial judgment. It is a mere administrative decision. It is merely an instruction to the Commissioner of Patents by a court which is made part of the machinery of the Patent Office for administrative purposes."

We again protest the procedure suggested by this administrative court (the Court of Customs and Patent Appeals) which deprives us of our remedy in equity against an inadvertent patent—a remedy which has

existed continuously since 1836. We submit that Congress never intended to destroy our traditional right to this equitable remedy.

Congressional Purposes

1927 Revision Intended to Safeguard Equity Action

As we have seen above, the right of an inventor to bring suit in an equity court of general jurisdiction against a patentee has always been a part of our patent system. It was surely the intent of Congress to continue the right and Congress intended that any applicant to whom the Commissioner has refused a patent, should in every case be permitted to bring an equity suit in a court of general jurisdiction. Thus, in ex parte cases, an applicant may bring a bill against the Commissioner under Section 4915 R. S.; in priority contests the defeated applicant may do the same; also in priority contests the defeated party patentee may bring an action under Section 4918 R. S.; and even the successful party applicant has this remedy by notice of election under Section 4911 where his adversary has taken an appeal to the Court of Customs and Patent Appeals. The only possible combination of circumstances wherein it has been suggested that no such remedy lies, is that involved here where the defeated party in the interference contest has, through the inadvertence of the Patent Office already been granted his patent, has lost in inter-parties proceedings in the Patent Office, and has appealed to the Court of Customs and Patent Appeals. Under such circumstances by the Commissioner's interpretation, the equity remedy is destroyed.

The mistake of the Patent Office in granting a patent to Preston and Preston should not be allowed to prejudice White. It is through no fault of White that the error occurred. White's rights should not be arbitrarily curtailed by the error. Nor should the Patent Office be allowed by an erroneous interpretation of R. S. 4911 to favor one applicant at the expense of another by the inadvertent grant of a patent in a manner which destroys the remedies of the latter.

Only by the dismissal of this appeal can White be assured of his day in a court of general jurisdiction. If his patent is denied by the Commissioner, he may proceed *exparte* under Section 4915 R. S.; and if his patent is granted, either he or Preston may bring an action under Section 4918 R. S.

On the other hand, if this appeal is not dismissed, a question of *res judicata* will inevitably arise, with the result that White will be barred from a consideration on the merits of his case in a court of general jurisdiction; for Section 4915 R. S. says:

“the applicant unless appeal has been taken from the decision of the Board of Appeals to the United States Court of Customs and Patent Appeals, and such appeal is pending or has been decided, *in which case no action may be brought* under this section, may have remedy by bill in equity.”

The plain intent of Congress was to grant the right of an equity remedy (in the nature of an appeal) in the District Courts (courts of general jurisdiction) in all proper cases, unless that right is waived by each and every party. The records of proceedings in Congress show that Congress intended that no party should be deprived of his age-old rights to bring a bill in equity. Therefore, Congress was careful to insert a new provi-

sion in the Statute so that on an appeal to the Court of Customs and Patent Appeals, the other party to the appeal should not be deprived of his remedy under Section 4915 if he elects it. In the Senate Report No. 1313 on page 4, Senator Shipstead reported:

“Nevertheless, in order that the other party may not be deprived from his remedy under Section 4915, it provides that he may serve notice upon the one who is taking the appeal to the court of appeals which would result in having the case transferred to the United States District Court under Section 4915.”

Thus Congress intended to preserve to all parties the right to bring a bill in a court of general jurisdiction, but intended no right in any party to have a double appeal by both an appeal to the Court of Customs and Patent Appeals and a bill in equity.

It was the intent to permit an ex parte applicant or a losing applicant in an interference proceeding either to take an appeal or to bring an equity suit. On page 10 of the Report of the Hearing before the Committee of Patents of the United States Senate on Bill S. 4812, Mr. Robertson said:

“Now, that covers the proceedings within the Patent Office. As I mentioned a while ago, you can take a simple straight appeal from the Patent Office to the Court of Appeals. The Court of Appeals at the present time is away behind with its work. It is deluged with work down there, and if a man waits maybe a year to take his appeal, and another year until his case is decided in the Court of Appeals when he is the winning party, his losing opponent can start all over again under Section 4915, by bringing his suit in equity, and starting all over again. So we have struck the happy medi-

um of permitting him to take one of those courses, but not both.”

Mr. Barnett of the Patent Section of the American Bar Association which had worked on the bill said on page 14 of the same report:

“Now, when it came to *ex parte* cases, it was comparatively simple to say that the individual inventor may appeal, or he may start his new suit. We first did away with that appeal, and somebody said, ‘Where does the poor man stand? He may want to go to the Court of Appeals.’ And somebody said, ‘Well, somebody may want to start a new suit and bring out other and new things.’ So we said, ‘All right, take your choice; go on with a new suit, or appeal’.”

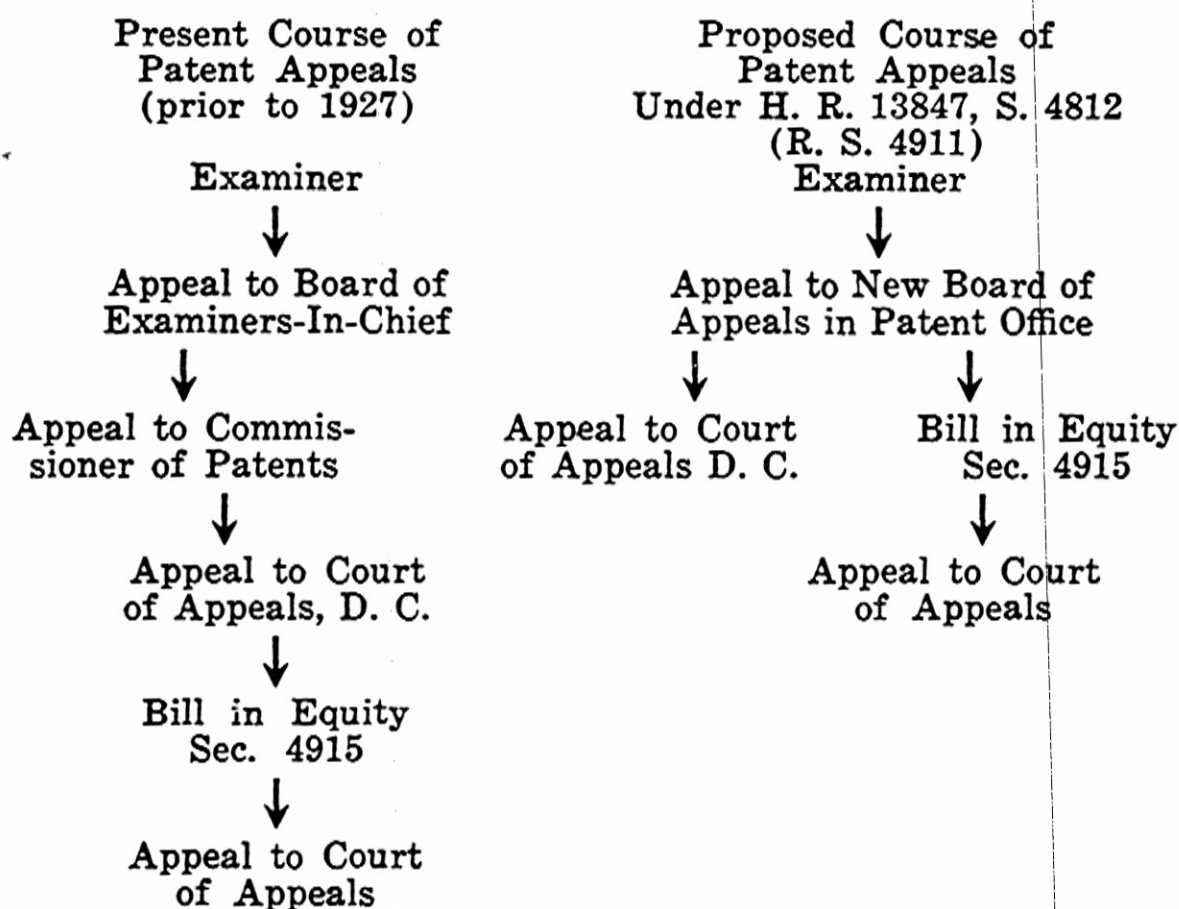
Mr. Shipstead’s report to the Senate (Senate Report 1313) has the following language:

“Therefore Section 4911 has been rewritten to provide that an applicant may appeal to the Court of Appeals, but if he does so he waives his right to proceed under Section 4915. *Nevertheless, in order that the other party may not be deprived from his remedy under Section 4915, it provides that he may serve notice upon the one who is taking the appeal to the Court of Appeals which would result in having the case transferred to the United States District Court under Section 4915.*” (Italics ours.)

There can be no question in view of these proceedings but that Congress intended to preserve to every party an equity appeal at his election. The Statute should of course be so construed as to effect the ends intended by Congress.

Intent of the 1927 Revision Was to Reduce Appeals

The proceedings of Congress (considering the statutory changes of 1927 by which Section 4911 was rewritten in 1927), show that the intent of Congress was mainly to simplify appeals, cut the number of appeals in the Patent Office from two to one, and cut the number of appeals outside of the Patent Office to one or two instead of three. This is brought out by the following chart which appears at page 31 of The Report of the Hearing before the Committee on Patents of the United States Senate on Bill S. 4812; also at page 2 of Senate Report No. 1313, Calendar No. 1341; and also at page 3 of House of Representatives Report No. 1889:



That the court may fully appreciate just what was the main object of the 1927 revision, we will quote again

from the hearings. On page 6 of the Report of the Hearing before the Senate Committee on Bill S. 4812, there is the following statement by the then Commissioner Robertson:

“But the changes already referred to are merely incidental. The main feature of the bill is that it cuts down two appeals in the Patent Office to one; and it cuts down what are virtually three appeals beyond the Patent Office to one or two, as the case may be.”

In Mr. Shipstead's report to the Senate (Senate Report No. 1313) there is on page 4 the following language:

“Section 8 rewrites section 4911 of the Revised Statutes so as to provide for a simplified appeal from the Patent Office. Under present statutes an applicant whose case has been rejected or a losing party in an interference may appeal to the Court of Appeals of the District of Columbia and then if he is dissatisfied he may start proceedings de novo by filing a bill in equity in a United States District Court, under Section 4915, and from the decision of that court he may appeal to the Court of Appeals. This procedure makes for very vexatious delays and the object of the present bill is to permit one to have the decision of the Patent Office reviewed either by the Court of Appeals or by filing a bill in equity, but not both. Therefore Section 4911 has been rewritten to provide that an applicant may appeal to the Court of Appeals, but if he does so he waives his right to proceed under Section 4915.”

The same object is brought out in the Report of Representative Perkins to the House (House of Representatives Report No. 1889). The report states:

“The bill is designed to remedy the procedure (a) in the Patent Office and (b) in appeals from the Patent Office.”

“This antiquated procedure on patents in the Patent Office was from the examiner to (1) appeal to board of examiners in chief; thence (2) to Commissioner of Patents; thence (3) to the Supreme Court of the District of Columbia; by an act of 1893, changed to the Court of Appeals of the District of Columbia. After these three appeals the defeated party could file a bill in equity under section 4915, and if again defeated could appeal to the circuit court of appeals.”

“From this recital it will be observed that in patent cases under this antiquated procedure, there are five appeals—practically an unheard-of thing in the courts except in patent cases. The long drawn-out course of appeals permitted by the present procedure, of course, results in delay, expense, and great uncertainty. It fosters appeals by those who can afford them to the disadvantage of those who cannot afford to appeal, and in some instances a poor applicant can be delayed through five appeals.”

“The proposed bill has for its object the simplification and reduction of the number of appeals. It provides for the creation of a new “Board of Appeals” in the Patent Office, consisting of the examiners in chief, the commissioner and assistant commissioners. Applicants may appeal direct from the examiner to this new board of appeals, thus cutting out one appeal in the Patent Office. It then gives the option to the losing party to appeal to the Circuit Court of Appeals of the District of Columbia, or to file a bill in equity under section 4915. If the appeal goes to the Court of Appeals and is defeated, the applicant’s right to appeal is ended. If on the other hand a bill in equity, if filed, under section 4915, the losing party has preserved his right to

again appeal to the Circuit Court of Appeals.”

“It will thus be seen that under the proposed procedure the defeated party has all the rights and remedies that he had under the old procedure, but the appeals are reduced so that there are but three appeals.”

The Congressional purpose will be seen to have been to permit either party to avoid a second merely administrative appeal—the appeal from the Patent Office to the Court of Customs and Patent Appeals—in addition to the equity action. The administrative appeal to the Court of Customs and Patent Appeals was manifestly left by the statutory amendment of 1927 only for situations where both parties elected it. That either party should have the right to spare himself further administrative proceedings is reasonable enough because these administrative proceedings create no *res judicata* but leave the whole issue of priority open for further contest in a constitutional court. This further contest may be an action under Section 4918 R. S. or an infringement suit.

Court will Uphold Intent of Congress

There is no question but that this Court will uphold the intent of Congress in the construction of the Statute. In fact, this case involves the construction of the same section of the Statutes as that which was considered and interpreted by this Court in a decision recently handed down. In the case of *Jensen et al, Lorenz et al*, decided August 30, 1937, and reported at 34 U. S. Patent Quarterly 318, this Court said:

“It is evident that Congress intended to require an election by the party as between the two rem-

edies offered to him; to-wit, the appeal to the Court of Customs and Patent Appeals on one hand, or a suit in equity under Section 4915 R. S. on the other hand, and that when such election is made by the litigant, it is to be final.”

Four Appeals May Follow Appellee's Interpretation

We have shown that the purpose of the 1927 legislation by Congress in which this section of the Revised Statute was passed, was to put an end to the amazing six-tier hierarchy of patent appeals which existed during the preceding thirty-four years. The purpose of the 1927 legislation to make the suit in equity under R. S. Sections 4915 or 4918 (35 U. S. C. Section 63 or 66) alternative instead of cumulative also stands out conspicuously in the terms of the legislation itself and we believe that we thoroughly demonstrated this purpose above. These purposes are brought to almost naught for some situations, under the Court of Customs and Patent Appeals affirmance in *Farmer et al v. Schweyer*. In an interference between a patentee and an applicant, if applicant wins in the Administrative Court (The Court of Customs and Patent Appeals) and then takes out his patent, either patentee may sue the other under R. S. Section 4918 (35 U. S. C. Section 66). This section of the Statute is available even though there has been a previous decision by the Court of Customs and Patent Appeals. The very fact that this remedy is left open constitutes a strong argument in favor of curtailing rather than enlarging Administrative Court reviews of interferences involving a patent. The general plan of the Statutes is directed to the thought that patentee interferences are to be by the equity suit in a constitutional court rather than by appeal to the Administrative Court.

On the contrary, the decision of *Farmer et al v. Schweyer* needlessly opens up an appeal from the Interference Examiner to the Board of Appeals, thence to the Court of Customs and Patent Appeals, and (if applicant wins over patentee) an equity trial in the District Court followed by appeal to the Court of Appeals. As urged previously herein, the equity suit in a constitutional court is an important right which ought to be preserved; but the intermediate appeal to the Administrative Court can be dispensed with, when not chosen by all parties.

Double Appeal By Patentee Not Intent of Congress

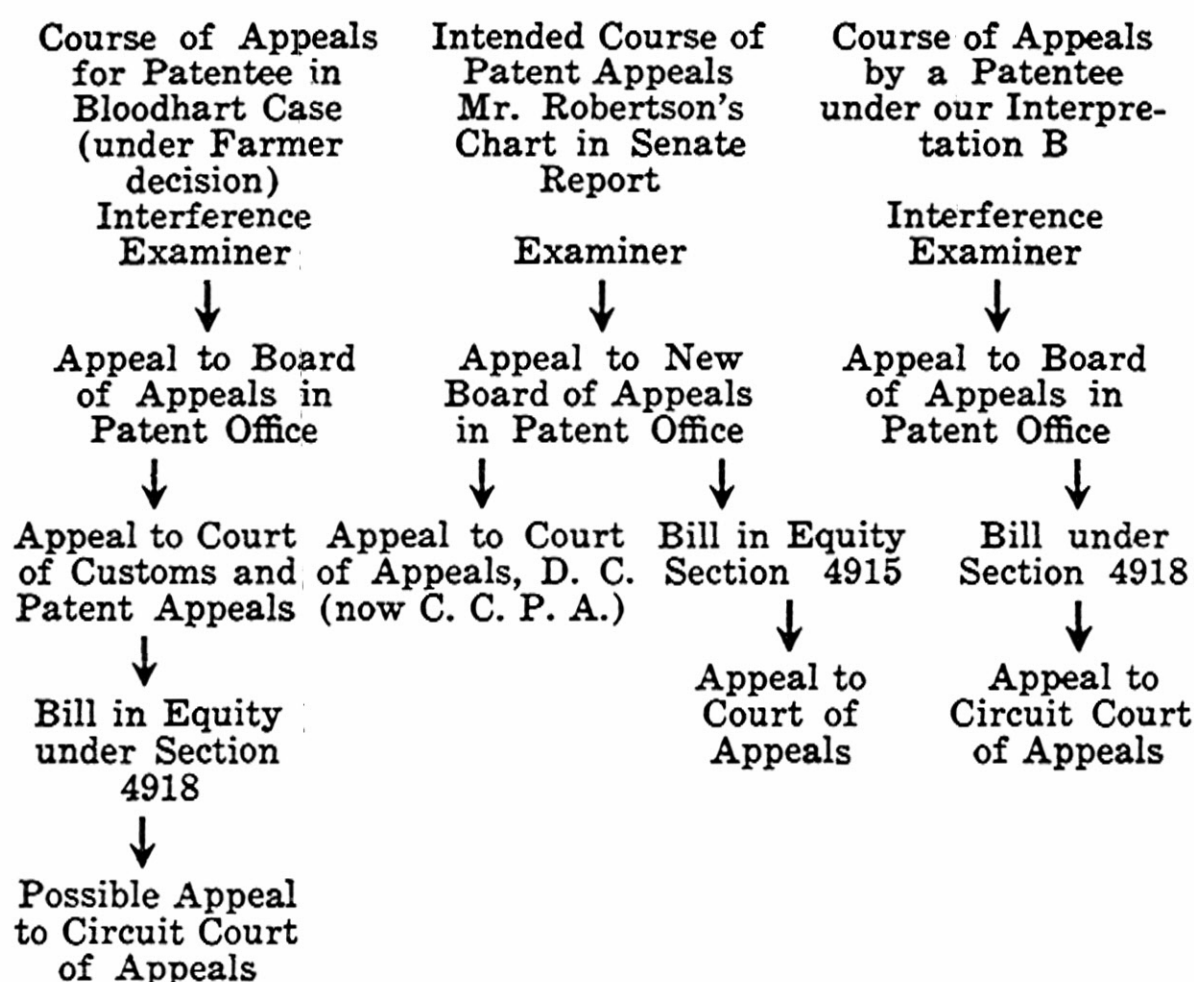
If Preston and Preston are allowed this appeal and lose, and White's patent is subsequently issued, Preston and Preston can then bring another appeal by an action under 4918 R. S. The whole intent of the amendments of March 2, 1927, was to cut down the successive appeals from the Appellate Tribunal (the Court of Customs and Patent Appeals or the corresponding court) to the District Courts. The appeal could be to one or the other, but not to both. If this appeal is not dismissed Preston and Preston will be allowed possible appeals to both.

Referring to the case of *Bloodhart v. Levernier* 64 F. (2d) 367; 1933 C. D. 260 (Court of Customs and Patent Appeals), it is interesting to note that the patentee Bloodhart, after losing in the Court of Customs and Patent Appeals and after Levernier's patent issued, obtained a further review by an action under Section 4918. The filing of the bill is reported at 444 O. G. 260, *Midland Chemical Laboratories v. M. W. Levernier*, filed April 10, 1934 (D. C. N. D. Ind. Fort Wayne) Doc. E 316. This suit involved patent No. 1,676,851 to Bloodhart and 1,949,315 to Levernier. The

history of the Bloodhart case shows that the appeal by a patentee to the Court of Customs and Patent Appeals is substantially useless. The patentees Preston et al after losing in the Court of Customs and Patent Appeals can and probably will prosecute a subsequent equity appeal.

We admit that the patentee appellant under our contention is deprived of his appeal to the Court of Customs and Patent Appeals, but applicant appellants are also always deprived of this appeal at the election of appellees. There is no reason why a patentee especially should have an appeal to the Court of Customs and Patent Appeals while an applicant cannot. In fact, there is a special reason why he should not. The appeal is an administrative appeal and should not be open to one who already has his patent.

Now it being clear from the congressional reports cited above that the main object of the 1927 revision of the Statute was to reduce the number of appeals and with that object in mind, let us consider how the interpretation for which we contend and the interpretation of the Farmer case work out. The following chart shows:



The clear intent of Congress as evidenced above was to reduce the appeals to not more than three. The Farmer et al and Bloodhart cases allow four. The appeals under our contention parallel the congressional chart. The appeals under the Farmer et al decision do not.

As pointed out above, Congress was solicitous to preserve the traditional right to all parties to bring an equity bill in a court of general jurisdiction. Under the chart quoted above which was prepared by Mr. Robertson there is that right in all parties. In the course of appeals under our contention there is the right in all parties; for the applicant, if denied a patent can proceed under 4915, and the patentee can proceed under 4918. Under the course of appeals in the Bloodhart case based on the Farmer et al decision, the Commissioner appears to contend that the applicant may

be shut off from bringing a bill in equity, thus denying him the right intended by Congress. Moreover (contrary to the intent of Congress) the patentee is allowed *both* an appeal to the Court of Customs and Patent Appeals and a bill in equity. That was the exact course of appeal in the Bloodhart case. It is not only unfair to applicant, but it burdens the Court with too many appeals allowed to the patentee.

Right to Equity Appeal

The right to a trial in a regular constitutional court is an important right giving as it does an opportunity for the appearance of witnesses before the tribunal in contrast to the administrative proceeding where the testimony is taken solely by depositions. That this right should be taken away from an interfering applicant is against the whole pattern of relative legislation. No one can read the statutes in question and the proceedings in Congress and suppose that Congress was intending to set up a scheme for equity suit trials in all cases *except* in the case of an applicant who wins before the Board of Appeals over a patentee and thereafter being forced by his opponent to go to the administrative reviewing court, loses. Certainly a statutory interpretation leading to such a result ought not lightly to be accepted. But the decision in the Court of Customs and Patent Appeals does take away this right.

In addition to the benefit of having witnesses testify in the presence of the tribunal, the equity suit has an important advantage in that it renders the issue of priority *res judicata* between the parties. The decision of the administrative tribunal, functioning as an arm of the Patent Office, creates no *res judicata* because it is not a judicial determination. Even after final

administrative decision, the issue of priority may be re-litigated not only in a special equity priority suit under R. S. Section 4918 (35 U. S. C. Section 66), *Midland Chemical Laboratories v. M. W. Levernier*, filed April 10, 1934 (D.C. N.D. Ind. Fort Wayne) Doc. E. 316; but also in an ordinary suit for infringement of a patent. *Radio Corp. v. Radio Engineering Laboratories*, 293 U. S. 1; *Johnson v. Meuser*, 212 U. S. 283.

Petitioner contends that it was never intended by Congress by Section 4911 to confer upon a patentee the right to appeal to the Court of Customs and Patent Appeals against the election of one deemed by the Patent Office to be the first inventor. Such a construction of the statute vitiates the most important feature thereof, the feature in which it differs from the preceding statute of which it took place; namely, the right of election of a remedy by appellee. Should the Court of Customs and Patent Appeals take jurisdiction of Preston and Preston's appeal and reverse the Patent Office, White would thus be deprived of his right of election to proceed under Section 4915, an event not contemplated by the statute. Section 4911 was never intended to be so construed as to enable a patentee whose patent was inadvertently issued to compel a successful interferent to have his right to a patent finally determined by the Court of Customs and Patent Appeals against his will, and at the same time destroy his statutory rights under Section 4915. A reversal of the decision of the Patent Office by the Court of Customs and Patent Appeals would accomplish such a result unless subsequently a district court in which a bill under Section 4915 should be presented hereafter would allow such a bill, in the face of the following language of Section 4915 R. S.:

“When a patent or application is refused by the Commissioner of Patents, the applicant unless appeal is taken from the decision of the Board of Appeals to the United States Court of Customs and Patent Appeals and such appeal is pending or has been decided, in which case no action may be brought under this section, may have remedy by bill in equity.”

If, therefore, the Court of Customs and Patent Appeals has jurisdiction of Preston and Preston's appeal and should reverse the decision of the Patent Office (as Preston and Preston seek to have it do) then no action may be brought under Section 4915 by the party White and his statutory right to an equity trial is gone, notwithstanding his election to assert it. Thus although he has chosen to have his right determined by an equity tribunal, his right to a patent is cut off finally by the Court of Customs and Patent Appeals.

We have demonstrated above that it was the intent of Congress that any applicant to whom the Commissioner has refused a patent should in every case be permitted to appeal to an equity court of general jurisdiction. Only by the dismissal of Preston and Preston's appeal can White be assured of his day in an equity court of general jurisdiction. If his patent is denied by the Commissioner he may then proceed ex parte under Section 4915 R. S.; and if his patent is granted, either White or Preston and Preston may bring an action under Section 4918 R. S. On the other hand, if this appeal is not dismissed, White will be barred from consideration on the merits of his case in a court of general jurisdiction.

One reason that we are attacking the right of Preston and Preston to appeal to the Court of Customs

and Patent Appeals is that we believe that additional testimony may well be necessary to a full determination of the merits of this contest. This is certainly true insofar as testimony on behalf of White is concerned, and is possibly true as respects Preston and Preston. The only way this testimony can be brought into the record is under Section 4915 or Section 4918.

Statutory Language

The statute with which we are concerned has been quoted above on pages 5 and 6.

If, as suggested previously in this brief, the third word of the second sentence of the statute be taken to mean "party applicant," the rest of the sentence reads smoothly enough. If, however, this word "party" be given its broadest possible meaning so as to include a patentee, then the proviso following about dismissal becomes meaningless or must be rebuilt, and the reference to R. S. Section 4915 also becomes meaningless, because this provision apparently cannot by its terms be availed of by a defeated patentee. The general principle that broad words may be narrowed to make sense in their context is of constant force. Giving to the third word of the second sentence the narrowed meaning "party applicant" permits the whole statute to stand together.

It is well established that there is no appeal from a final decision of the Patent Office except by statute. The Court of Customs and Patent Appeals itself has held that there is no right of appeal from the decision of the Board of Appeals except as provided in Section 4911. In the case of *Mavrogenis*, 19 C. C. P. A. 1063, the court said:

“It will be noticed that by this Section 4911 appellant is authorized to appeal to the Court of Appeals of the District of Columbia (now to this court) in cases in which the applicant is dissatisfied with the decision of the Board of Appeals and in which any party to an interference is dissatisfied with the decision of the Board of Appeals. No other right of appeal in patent matters is to be found within the express language of the statute.”

Moreover, this court has said:

“Under the Act of February 9, 1893 (27 Stat. at L 434 Chap. 74), any party aggrieved by a decision of the Commissioner of Patents in any interference case may appeal therefrom to this court. Our jurisdiction in interference cases is solely dependent upon this statute.” *Norling v. Hayes*, 37 Appeals D. C. 169, 176.

It is thus manifest that if the patentees Preston and Preston have any right of appeal, it depends entirely on Section 4911 and ought to be subject to all of its restrictions and limitations. There is no other right of appeal, but the section provides that “such appeal shall be dismissed” under the circumstances here presented.

We contend that if a patentee may appeal, it must be by virtue of the statute and he must conform to the provisions thereof, and also he must undergo the consequence provided in case of any default. On default of the appellants Preston and Preston (patentees) to file a bill in equity as provided by the statute, the award of priority to White became final (just the same as if Preston and Preston had been applicants). The rights of a patentee who has his patent are not more to be guarded by the Commissioner of Patents

than those of an applicant who has been found by the Commissioner to be entitled to a patent. The patentee's rights are fully protected by Section 4918 R. S. The language of the section of the statute from which the Court of Customs and Patent Appeals derives its jurisdiction specifically provides that in case of an election by appellee the appeal shall be dismissed. Therefore, if the Court of Customs and Patent Appeals acquires any jurisdiction in case of an appeal by the patentee, they lose that jurisdiction upon the filing of a notice of election by an appellee.

Application of Legal Rules of Construction

. We invoke certain well-known principles in the construction of statutes.

A statute is to be so construed as to carry out the intent thereof. This principle is so fundamental as to scarcely require citation of authority; and yet it is at times transgressed and it is sometimes necessary for courts to assert the rule. In the case of *Ozawa v. U. S.*, 260 U. S. 178, 194, the Supreme Court of the United States said:

“It is the duty of this court to give effect to the intent of Congress. Primarily this intent is ascertained by giving the words their natural significance, but if this leads to an unreasonable result plainly in variance with the policy of the legislature as a whole, we must examine the matter further. We may then look to the reason of the enactment and inquire into its antecedent history and give it effect in accordance with its design and purpose, sacrificing, if necessary, the literal meaning in order that the purpose may not fail.”

The principle is also applied in the case of *Croson v. District of Columbia*, 55 Appeals D. C. 122. This principle should be applied here.

As we have pointed out above, the intent of Congress was to cut down the number of appeals. Our constructions of the statute does this. The construction of the Farmer et al and the Bloodhart cases does not. That construction as exemplified by the history of the Bloodhart case permits continued litigation and appeals.

The intent of Congress was to allow each interfering party a right to a hearing in the equity court of general jurisdiction either under Section 4915 R. S. or Section 4918 R. S., or an appeal to the Court of Customs and Patent Appeals, but it was not the intent to allow appeals to both. The construction of the Farmer and Bloodheart cases denies this equitable remedy to the applicant where the patentee appeals to the Court of Customs and Patent Appeals. Our construction as intended by Congress allows the bill in equity remedy to either. The Farmer and Bloodhart cases allow the patentee both remedies. Our construction allows him, according to the Congressional intent, only one remedy.

The Commissioner holds that by giving the words "any party to an interference" their natural significance they include a patentee who is a party to an interference; but he also holds that, so construed, the words "such appeal shall be dismissed" and "thereupon the appellant shall have thirty days thereafter in which to file a bill in equity under said Section 4915, in default of which the decision appealed from shall govern the further proceedings in the case", lead to a result which is unreasonable; but this holding deprives petitioner of the right of election which it is the object of the statute to afford.

Using the language of the Supreme Court:

“We may then look to the reason of the enactment and inquire into its antecedent history and give it effect in accordance with its design and purpose, sacrificing, if necessary, the literal meaning in order that the purpose may not fail.”

It is thus permissible to adopt the language of the court in *Heidebrink v. McKesson*, 53 F. (2d) 321, 322, in discussing this section of the statute:

“It is just as obvious that Section 59A (4911) was designed by Congress to apply only to cases of interference proceedings between pending applications.”

So interpreted, all ambiguity, all inconsistency, all unreasonable results disperse.

The statute should be so interpreted that, if possible, it may stand as a whole,

“It is a cardinal rule of construction that effect is to be given, if possible, to every word, clause, and sentence of the statute. It is the duty of the court so far as practical to reconcile the different provisions so as to make them consistent and harmonious and to give a sensible and intelligent effect to each.” *U. S. v. Daniels*, 279 F. 844, 849.

The simplest and most appropriate construction is to adopt the language of the court in *Heidebrink v. McKesson* that 4911 R. S. applies only to interferences between applicants.

Extension of the right of appeal to a patentee can be based only upon construction of the phrase “any party to an interference who is dissatisfied”, but since

the section in question is deemed to be in part inapplicable to a patentee, it is certainly reasonable to believe that it is wholly inapplicable to a patentee.

Whatever construction may be adopted one part of Section 4911 stands out clear, consistent and unmistakable, "provided that such an appeal *shall be dismissed*" at the adverse party's election.

Patentee Has No Right of Appeal to the Court of Customs and Patent Appeals

The whole argument of permitting a patentee to go to the administrative court, against the will of his applicant adversary, is that patentee must be permitted to do something. The opinion of the Court of Customs and Patent Appeals, hereinbefore mentioned, is perfectly silent as to why patentee should be permitted to act, simply assuming that he should be allowed to do something, and yet a little reflection will show that there is no reason at all why a patentee already having his patent, although with an adverse decision against him in the Patent Office, should be given any immediate procedure. Indeed such a defeated patentee had no available review measure, during the years 1870 to 1893 inclusive.

The patentee can bring a suit for infringement at once or any time against anyone whom he deems to be invading the monopoly and that affords him every reasonable right. As soon as any adverse patent issued he becomes completely at liberty to sue under Section 4918 R. S. for the cancellation of the adverse party's patent.

For what purpose do Preston and Preston seek an appeal in this interference? They have not been denied a patent. The purpose and the only purpose of the ap-

peal by Preston and Preston is to enable them to harass, obstruct, delay and possibly prevent White from obtaining his patent, and cut off White from an equity remedy.

A so-called "interference" between an application for a patent and an unexpired patent is in fact an opposition by the patentee to the issue of a patent to an applicant. It is the only opposition to the issue of a patent that is recognized by law. The patentee's rights are not in jeopardy: his patent is in no sense adjudicated by the proceeding. The right of appeal in a patentee could have no effect but to obstruct an applicant in obtaining his patent and to subvert the Statute. Since the patentee's rights are not adjudicated or impaired, he actually needs no such remedy.

The fact that the party Preston and Preston would *now* have no right of appeal under Section 4915 R. S. (as stated by the Court of Customs and Patent Appeals in the Farmer case and in the Bloodhart case) is immaterial. The patentees may later have a remedy under Section 4918 R. S. They may bring suit for infringement against any infringer at any time. There is no reason for any appeal by Preston and Preston now. They have their patent. They are not prejudiced at all until and if White's patent issues. If no patent is to be eventually issued to White, there is no reason to burden the Court of Customs and Patent Appeals or any other court with an appeal. If a patent is later issued to White, Preston and Preston can then finally determine the question of priority by an equity suit under R. S. 4918, which provides that,

"Whenever there are interfering patents, any person interested in any one of them, or in the working of the invention claimed under either of

them, may have relief against the interfering patentee, and all parties interested under him, by suit in equity against the owners of the interfering patent.”

The patentees Preston and Preston have, therefore, adequate remedies in case White receives his patent: and it is not true that an appeal to the Court of Customs and Patent Appeals is their only remedy.

It has been urged that the patentee suffers from not knowing how long his adversary's application may remain pending in the Patent Office. The answer is that none of this legislation purports to cut down pendency in the Patent Office. The patentee takes his place with the rest of the world, and this he would have to do if he lost the administrative appeal to the Court of Customs and Patent Appeals. If he lost such an administrative appeal he would still be waiting to engage his adversary in an equity suit under Section 4918 R. S. after grant of the adversary's patent. A losing patentee who waits after a decision by the Board of Appeals is no different from a losing patentee who waits after a decision by the Court of Customs and Patent Appeals. When the new patent issues, the old patentee can initiate an equity interference suit under R. S. Section 4918. The Court of Customs and Patent Appeals by its *Farmer et al v. Schweyer* decision hereinafter referred to, cannot avert this watchful waiting by the losing patentee, but can merely interpose one more proceeding before the watchful waiting starts.

Patentees Lose Right of Appeal Upon Appellee's Election

If the Court of Customs and Patent Appeals ever had jurisdiction of the appeal by the patentees Preston and Preston, it lost it when the notice of election was filed. The Statute says that the appeal shall be dismissed. The language is clear. There can be no doubt about it. The appeal must be dismissed. The Court, being of limited jurisdiction, cannot retain jurisdiction.

Lack of Equity

The inequity of the situation is appalling if the Court of Customs and Patent Appeals obtains and retains jurisdiction of Preston and Preston's appeal. An administrative decision against applicant in favor of patentees in the Court of Customs and Patent Appeals would silence applicant finally. Section 4915 permits applicants to initiate equity interference suits "unless appeal has been taken from the decision of the Board of Appeals to the United States Court of Customs and Patent Appeals, and such appeal is pending or has been decided, in which case no action may be brought under this section."

On the contrary, R. S. Section 4918, authorizing equity interference suits by the patentees, includes no similar provision, so that if applicant wins in the Court of Customs and Patent Appeals, the patentees have not been silenced. Thus the applicant can finally lose, but cannot finally win against a patentee in the Court of Customs and Patent Appeals. For an applicant to be forced against his will to contest priority with a patentee before the Court of Customs and Patent Ap-

peals which lacks jurisdiction to void the patent would create for the patentee a "heads I win, tails you lose" situation.

As we have pointed out above, the patentees Preston and Preston have an adequate remedy in case White receives his patent by an action under Section 4918 and the Court thereunder has jurisdiction to void either patent. It is not true that an appeal to the Court of Customs and Patent Appeals is the patentees' only remedy. It is not even the best remedy. It is an inequitable remedy.

Thus by the Commissioner's interpretation of the Statute, White is being harassed, obstructed and delayed by patentees whose rights are not in litigation; and thus by construction the Statute is defeated in its primary purpose of avoidance of tedious, unnecessary litigation; and the full remedy of the parties under Section 4918, which was about to become available to White, is either obstructed, delayed or entirely subverted.

The following tabulation shows the unfairness of the construction contended for by the Commissioner of Patents. As may be seen, the patentee, under the Commissioner's construction, has at least two more remedies than has the applicant.

Course of Patent Appeals Under the Interpretation Contended For By the Commissioner

If Patentee Loses in Court of Customs and Patent Appeals

1. Appeal to Board of Appeals.
2. Appeal to Court of Customs and Patent Appeals.
3. Appeal by bill in equity under Section 4918 in district court.
4. Appeal from the district court to the Circuit Court of Appeals.

If Patentee Wins in Court of Customs and Patent Appeals

1. Appeal to Board of Appeals.
2. Appeal to Court of Customs and Patent Appeals.
(*All further remedies for applicant including equity appeal, cut off.*)

The Federal Decisions

Right to File Under R. S. 4915

There seems to have been some question as to whether a patentee in interference who was dissatisfied with a decision on priority rendered by the Board of Appeals had an option to file a bill under Section 4915. In the McGregor case, 31 F. (2d) 791, the court held that such was not the law, and suggested that a patentee could not file a suit in equity under either Section 4911 or 4915. There is in the decision, however, no express holding in a case such as where an appeal to the court was taken by a patentee.

The Federal Court in the Heidebrink case, 53 F. (2d) 321, cited with approval the McGregor decision, hold-

ing that where the losing party in an interference is a patentee and no appeal has been taken under Section 4911, he has no option of proceeding directly under Section 4915 R. S. instead of appealing to the Court of Customs and Patent Appeals.

*Right of Appeal to Court of Customs and
Patent Appeals*

The Heidebrink case was cited in the Farmer case as authority for the proposition that a patentee interferant could appeal to the Court of Customs and Patent Appeals. Whether under Section 4911 he could file a bill in equity on the election of the adverse party was called a hypothetical case which need not be decided. (Section 4911 is referred to in the Heidebrink case as 35 U. S. C. 59a.) The Court said:

“But it is contended by plaintiff-appellant that the rest of the language of section 59a nevertheless applies to an interference proceeding between an applicant for a patent and a patentee, and, in the event that priority were awarded to the applicant, and the patentee appealed to the Court of Customs and Patent Appeals, the applicant, as the “adverse party” mentioned in section 59a, could elect to have all further proceedings conducted under section 63, and thus compel the patentee to file a bill in equity in the District Court under the latter section.

* * * * *

“The District Court may impliedly be given jurisdiction under the circumstances of the hypothetical case just stated, but this is a question we need not here or now decide. The facts assumed by such hypothetical case are not present here.”

The Court also said:

“The plaintiff-appellant already has his patent. Notwithstanding the fact that the mention of ‘adverse parties’ in both sections seems to indicate that the remedies were intended to be open to the parties to an interference proceeding, and such proceeding is specifically mentioned in section 59a, we are constrained to the opinion that the only review open to a patentee interferant, after an adverse decision by the Board of Appeals of the Patent Office, is by appeal to the Court of Customs and Patent Appeals, or, after issue of a patent to the applicant, by seeking relief against such interfering patent under Revised Statute 4918 (35 U. S. C. Section 66).”

When it is remembered that the announcement of the law adopted by the Commissioner of Patents in Rule 149, and not then amended, was:

“From adverse decisions by the Board of Appeals, in both ex parte and contested cases, the appellant has an option of proceeding under Section 4915 R. S. instead of appealing directly to the U. S. Court of Customs and Patent Appeals.”

it becomes clear that the exact decision of the Federal Court was that certainly a patentee has no such option. Speaking of Sections 4911 and 4915, the Court said near the end of its opinion:

“a litigant can avail himself of the remedies there provided only if he brings his case within the conditions so expressly imposed.”

The Court also expressed its opinion that:

“It is just as obvious that section 59a was de-

signed by Congress to apply only to cases in interference between pending applications.”

Such an opinion thus clearly stated is contrary to a supposed holding that a patentee has a right of appeal to the Court of Customs and Patent Appeals under the Statute, and still more to a declaration that such appeal was patentee's only remedy.

Federal Courts' Decisions as Authority

The decision of the Federal Courts (the Heidebrink and McGregor cases) which were cited as authority for the Commissioner's holding and for the Farmer case were cases in which no appeal from the Board of Appeals had been taken. The only direct statement made relative to the meaning of Section 4911 was the statement quoted above to the effect that obviously Section 4911 applied only to applicants who were parties to an interference, and not to patentees. It was therefore error to have considered those cases as authority for the adopted interpretation.

The full dictum in the Heidebrink case was as follows:

“Section 63 (4915), if read literally, is restricted in its operation to cases where ‘a patent on application is refused’. It is just as obvious that section 59a (4911) was designed by Congress to apply only to cases of interference proceeding between pending applications, for its closing provision is that, in the event of the election of an ‘adverse party’ to proceed under section 63 (4915), ‘the issue of a patent to the party awarded priority by said Board of Appeals shall be withheld pending the final determination of said proceeding under said section 63 (4915).’”

This, of course, is dictum, but it is pertinent dictum upon a point not yet specifically raised. The Court (6th Circuit) considered that Congress did not mean this act to apply to a party to an interference who was a patentee, and so stated. As we have already pointed out, it is obvious that Congress never intended to authorize dilatory appeals by patentees, when the only result is to obstruct the issue of a patent to one found to be the first inventor.

The basis of the Commissioner's refusal to dismiss the Preston and Preston appeal is argumentative. The Commissioner says that the party Preston and Preston has no right of action under Section 4915, and in support thereof he cites *McGregor v. Chesterfield* and *Heidebrink v. McKesson*. These cases do not hold as the Commissioner suggests. In both of these cases there had been no appeal taken under Section 4911. The decisions held that where no appeal had been taken under Section 4911 a patentee could not proceed under Section 4915. The Court in *Heidebrink v. McKesson* refused to pass on the question, saying:

“The District Court may impliedly be given jurisdiction under the circumstances of the hypothetical case just stated, but this is a question we may not here and now decide. The facts assumed by such hypothetical case are not present here.”

Neither did the Court say simply that a patentee's “only remedy is by appeal to the U. S. Court of Customs and Patent Appeals”, but added in the same sentence, “or, after issue of a patent to the applicant, by seeking relief against such interfering patent under Revised Statute 4918 (35 U. S. C. Section 66).”

But when the Court used the language quoted, it had

already said that it was obvious that Section 4911 "was designed by Congress to apply only to cases of interference proceedings between pending applications", so that it is apparent that it was the Court's opinion that the patentee's only remedy is by suit under Section 4918. Whether a patentee could avail himself of the remedy provided by Section 4911, it did not then and there decide, but the Court expressed the opinion that the act was designed by Congress to apply only to pending applications. Therefore, not only do these cases not support the Commissioner's holding, but they support our contention that the patentees have no appeal to the Court of Customs and Patent Appeals.

Farmer vs. Schweyer

We have demonstrated conclusively that were it not for the decision in the case of *Farmer et al v. Schweyer*, 19 C. C. P. A. 1247, 58 Fed. 1056, that the construction of Section 4911 according to the ordinary rules of construction and to effectuate the intent of Congress should be such as to limit the word "party" occurring as the third word of the second sentence of the statute to mean party applicant. It is believed that the only reasonable hesitancy that any court would have in so construing the statute must be based upon the decision in the *Farmer et al v. Schweyer* case or in the decisions of the court and the Commissioner of Patents based thereon and of the Commissioner leading thereto. The crux of the contest is therefore the correctness of the decision of the Court of Customs and Patent Appeals in the *Farmer et al* case.

The *Farmer* opinion not only does not touch upon the point heretofore presented, that under this decision a patentee who becomes involved in interference with

an applicant may have it in his power completely to deprive the applicant of any day in a constitutional court; but we have reviewed the record and briefs of the Farmer case and this point was not even urged.

The court said that Section 4915 was intended to give any unsuccessful applicant in the Patent Office an opportunity to have his application heard in a court of equity optional with a right of appeal to the Court of Customs and Patent Appeals. Yet by their decision they would bar the door to an applicant in White's situation, should the decision of the Court of Customs and Patent Appeals go against him.

The opinion in the last paragraph states that it was not intended by the language of Section 4911 to authorize the filing of a bill in equity under Section 4915 by a patentee and further that if a patentee is involved in an interference and is unsuccessful in the Patent Office he may not be forced to go into equity but has a right to pursue his appeal and seek his remedy in the Court of Customs and Patent Appeals. Therefore, the court denied the motion of the appellee to dismiss the appeal. The court did not go at all into the broad question of whether or not they had any jurisdiction in the first place. It held that the provision of Section 4911 providing for the dismissal of the appeal at the option of the appellee did not apply because that provision provided for the filing of a bill in equity by the patentee.

The court assumed that a patentee must either have a right of an appeal to the Court of Customs and Patent Appeals or a right of appeal under Section 4915. As we have pointed out above, this assumption is clearly wrong. The patentee needs no such appeal. He has his remedies either by an in-

fringement suit or a suit under Section 4918. If it is assumed, as is done by the Court of Customs and Patent Appeals that under Section 4911 the sentence reading "if any party to an interference is dissatisfied with the decision of the Board of Appeals he may appeal to the Court of Customs and Patent Appeals" applies to a patentee, the language of the statute is wholly inconsistent and ambiguous. It cuts off the right of equity action which the congressional proceedings show were intended to be preserved by Congress. It prevents the reduction of the number of appeals by the patentee which as the congressional proceedings show was the main intent of the 1927 legislation. It makes the succeeding portion of the section (when applied to an patentee) wholly meaningless. Thus the basic assumption made by the Court of Customs and Patent Appeals, apparently without argument and without consideration, was incorrect and therefore the decision of the Court of Customs and Patent Appeals going as it does, contrary to the obiter dictum in the Heidebrink case, is clearly in error.

APPROPRIATENESS OF MANDAMUS

White faces in this case the reluctance of the courts to interfere with the operation of the Patent Office and the inclination of the courts to leave to administrators full freedom in exercising discretion, but the present situation involves no point of Patent Office administration and no exercise of discretion by the Commissioner of Patents. The operation here involved has to do, not with office action, but with review of office action; this operation does not have to do with internal administration, nor with the exercise of discretion. The Commissioner has no discretion as to

when appeals of the Court of Customs and Patent Appeals must be dismissed, and when not; the duty thereon is purely mechanical.

Hence the present petition differs completely from those precedents in which the court has refused to intervene to restrict administrative freedom of action. In the present case as in the very late case in the Court of Appeals in the District of Columbia *Coe v. U. S. ex rel Remington Rand, Incorporated*, 84 Fed. (2d) 240, 29 U. S. P. Q. 227, App. D. C. ; "the duty of the Commissioner in the premises is a clear statutory requirement, and the performance of that duty is a plain ministerial act, which cannot be avoided by any claim of discretionary power on his part."

The contention of the Commissioner that the interpretation of the Statute involves discretion is clearly in error. That it does not involve discretion is clearly pointed out in *Work v. U. S. etc.*, 262 U. S. 200; *Wilbur v. Krushine*, 280 U. S. 306; and *Roberts v. U. S.*, 176 U. S. 221.

The present petition differs also from those precedents where parties had an available review in regular course. For the issue here involved there is no review available in regular course. The administrative decision of the Court of Customs and Patent Appeals when made, cannot go to the U. S. Supreme Court; as has been held in numerous Supreme Court patent and trade-mark cases including *American Steel Foundries v. Whitehead* 256 U. S. 40; *American Steel Foundries v. Robertson* 262 U. S. 209; *Postum v. California Fig-Nut Company* 272 U. S. 693. That White has no review available for over throwing the position of the Court of Customs and Patent Appeals except this review by mandamus can scarcely be disputed.

The cautiousness which courts have evinced about attempting to control administrative action does not mean that such control will never be exercised. The U. S. Supreme Court in *U. S. ex rel Steinmetz v. Allen* 192 U. S. 543, directed this court to grant the writs of mandamus against the Commissioner of Patents.

In *Butterworth v. United States, ex rel, Hoe* 112 U. S. 50, the Supreme Court affirmed the judgment of the Supreme Court and the District of Columbia awarding a preemptory mandamus commanding the Commissioner to accept a final fee. The case is parallel to the present case, involving as it did an attempted appeal by a patentee to the Secretary of the Interior. The attempted appeal in that case was contrary to the statute and White submits that the appeal by Preston and Preston to the Court of Customs and Patent Appeals is also contrary to the statute or has become contrary to the statute by reason of White's notice of election for further proceedings by equity suit and not by administrative appeal. In the *Butterworth* case, Mr. Justice Matthews speaking for the unanimous Supreme Court of the United States said (page 68):

“Some question is made as to the remedy. We think, however, that mandamus will lie, and that it was properly directed to the Commissioner of Patents. He had fully exercised his judgment and discretion when he decided that the relators were entitled to a patent. The duty to prepare it, to lay it before the secretary for his signature and to countersign it, were all that remained and they were all purely ministerial. These duties he had failed and refused to perform merely out of deference to the claim of a secretary to reverse and set aside the decision on the merits in favor of the relators. This, we have held not to be a valid

excuse. The case falls clearly within the principles acted upon in *Commissioner of Patents v. Whitely* 4 Wall 522."

In this case the Commissioner of Patents has refused to continue the examination of White's application merely out of deference to the claim of the Court of Customs and Patent Appeals to consider the Preston and Preston appeal. This is not a valid excuse. The Court of Customs and Patent Appeals has no jurisdiction in the matter.

That jurisdictional problems about administrative appeal from the Commissioner of Patents should be worked out by petition for writ of mandamus against the Commissioner is settled by the Frasch case 1904, 192 U. S. 566. This involved a direct petition to the U. S. Supreme Court for a writ of mandamus to compel the Court of Appeals of the District of Columbia to take jurisdiction of an appeal. The petition for a rule to show cause was dismissed on the ground that the remedy should have been by mandamus against the Commissioner of Patents.

Section 4911 is mandatory in the following language,

"provided that such appeal ***shall be dismissed*** if any adverse party to such interference shall within twenty days after the appellant shall have filed notice of appeal according to Section 4912 of Revised Statutes, file notice with Commissioner of Patents that he elects to have all further proceedings conducted as provided in Section 4915 of the Revised Statutes."

The statute allows no discretion in the matter. It provides that the appeal *shall* be dismissed.

THE COMMISSIONER OF PATENTS SHOULD DISMISS

The Commissioner argues that the statute does not say who shall dismiss. But the statute clearly implies that the Commissioner shall do so. According to the statute, notice is to be filed with the Commissioner. According to the statute, someone must dismiss. The appeal must be dismissed therefore by either the Commissioner or the court for there is certainly no one else who can. The notice being filed with the Commission according to statute, the court may not know of the notice of election unless the Commissioner brings the matter to its attention. There is no provision in the statute that the Commissioner shall notify the court relative to the notice. Therefore, obviously Congress intended that the Commissioner should dismiss the appeal.

In the case of two applicants, the Commissioner orders the dismissal of the appeal. In the case of *Bakelite, et al v. National Aniline, etc.* 29 U. S. P. Q. 381 there is the following language,

“In response to the election the Commissioner entered an order dismissing Punnett’s notice of appeal.”

Thus the Commissioner is the one who dismisses similar appeals involving applicants and we submit is the logical one to dismiss this appeal.

Regardless of whether the Commissioner himself is required to positively dismiss the appeal, assuming that we all agree that according to the statute, “the appeal shall be dismissed”, the Commissioner should be required to act as if the appeal were dismissed in law.

The statute is mandatory. The appeal "shall be dismissed". As we have shown, it is clearly intended that the Commissioner dismiss the appeal. Therefore, the duty is ministerial and not discretionary.

PRESENT REMEDY

There remains to be considered the matter of what is the Commissioner's duty after appellee's election and after the alleged appeal has progressed by the filing of all necessary papers in the Court of Customs and Patent Appeals. So far as dismissal is concerned, it appears that no formality is required. Beyond question in view of the language of the statute, the appeal is dismissed by operation of law when the election is made by appellee in accordance with the statute and unless appellant files due proof that he has proceeded in equity under Section 4915, it is the duty of the Commissioner to proceed, after thirty days as though no notice of appeal had ever been given. Such is the practice of the Commissioner when the appellant is an applicant, and such is the practice when an appellant fails to complete his appeal in accordance with the rule of the United States Court of Customs and Patent Appeals. It is submitted that the District Court should instruct the Appellee, the Commissioner to perform his ministerial duty.

It is therefore clear that party is entitled by the statute R. S. 4911, to have the appeal of Preston and Preston in Interference 69,457 considered as dismissed, and to have the further proceedings in his application for patent governed by the decision awarding him priority of invention as specifically provided by R. S. 4911. The manner of proceeding is defined in R. S. 4893 and 4903.

CONCLUSION

The reasons which have been urged as requiring that the writ of mandamus be issued may be summarized as follows:

White has no other remedy available and asks that the Commissioner of Patents perform a ministerial duty exercising no discretion. The construction of R. S. 4911 for which the Commissioner of Patents contends involves a complete recasting of the statute. The recasting will defeat in part the objective of the 1927 legislation to reduce an intolerable sequence of patent interference appeals. Furthermore, this recasting of the statute would, it is obvious, in some cases, deprive applicant of any possible access to a constitutional court, and would deprive him of the opportunity to present witnesses before the tribunal. This deprivation would be one-sided because if patentee wins before the administrative reviewing court, the victory appears to be final, whereas if applicant wins patentee may still bring an interference equity suit under Section 4918. The interpretations of the statute asked for by White deprive the patentee of no right, because the patentee in possession of his patent is free to proceed with infringement suits, and in the event of an issuance of a patent to White may bring an equity action under 4918. The re-casting of a statute urged by the Commissioner of Patents would merely give to the patentee an opportunity to interpose an unfair one-sided obstacle in the path of White and cut off an equitable right.

White contends that under the circumstances of this case he, having been found to be the first inventor, is entitled to a patent, and to the performance by the

Commissioner of a ministerial duty, imposed by statute on respondent by Section 4893 R. S.

It is also contended that respondent's refusal to proceed on the ground that the parties Preston and Preston have no other remedy to an appeal to the Court of Claims and Patent Appeals is unfounded. The statute does provide a complete remedy under Section 4918, whenever and as soon as the patentees need a remedy. Further the judicial decisions relied on by the court in the Farmer case do not hold that an appeal to the Court of Claims and Patent Appeals is the only remedy. The MacGregor case makes no statement on the subject and the Heidebrink case mentions the remedy under Section 4918 as being an alternative available remedy.

White, however, has no other remedy against the wrongful conditions that is the purpose of the statute to prevent: he cannot now appeal or file a bill in equity because he has not yet been denied a patent; if he consents to patentee's appeal his statutory right to file a bill in equity contesting priority would be waived and cut off by the very terms of Section 4915. If the outcome is adverse to White in the Court of Customs and Patent Appeals he would seem to be completely barred; if the outcome is favorable, the Prestons will have succeeded in hindering, jeopardizing, and delaying the issuance of White's patent for the period consumed by the appeal.

And if in any case White is successful in the end and then a patent is issued to him his patent may still be contested by the Prestons in equity under Section 4918 so that the present appeal to the Court of Claims and Patent Appeals offers nothing but vexation and delay.

This is the intolerable situation intended to be remedied by the revision of Section 4911 which the Commissioner of Patents holds to be applicable in this case. It is brought about by the Commissioner's refusal to perform his ministerial duties enjoined upon him by the statutes.

We believe that this court should answer Question B in the negative to render Section 4911 R. S. operative in the manner intended, but that in any event, Question A should be answered in the negative thereby holding the jurisdiction of the Court of Customs and Patent Appeals extends at most only to those cases in which all parties consent to the jurisdiction of the court either by appealing thereto or by waiving the right to elect an equity remedy. After answering these questions we believe the District Court should be instructed to require the Commissioner to proceed with the examination of White's application governing the further proceedings in the application in accordance with the decision of the Board of Appeals.

White contends that the court of appeals should reverse the District Court in this matter and instruct them that the demurrer should be sustained and that the writ should issue as prayed.

Respectfully submitted,

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No. 7021

**In the United States Court of Appeals for
the District of Columbia**

UNITED STATES OF AMERICA EX RELATIONE JOHN
WILLIAM WHITE, APPELLANT

v.

CONWAY P. COE, COMMISSIONER OF PATENTS,
APPELLEE

APPEAL FROM THE DISTRICT COURT OF THE UNITED
STATES FOR THE DISTRICT OF COLUMBIA

BRIEF FOR THE COMMISSIONER OF PATENTS

R. F. WHITEHEAD,
Solicitor, United States Patent Office.

**In the United States Court of Appeals for
the District of Columbia**

APRIL TERM, 1937

No. 7021

UNITED STATES OF AMERICA EX RELATIONE JOHN
WILLIAM WHITE, APPELLANT

v.

CONWAY P. COE, COMMISSIONER OF PATENTS,
APPELLEE

*APPEAL FROM THE DISTRICT COURT OF THE UNITED
STATES FOR THE DISTRICT OF COLUMBIA*

BRIEF FOR THE COMMISSIONER OF PATENTS

This is an appeal by petitioner below from a decree of the District Court of the United States for the District of Columbia (R. p. 24) overruling a demurrer to the answer to a petition for mandamus, discharging the rule to show cause issued against the respondent and dismissing the petition for mandamus.

The facts involved are as follows:

An interference was declared in the Patent Office between an application for patent filed by petitioner White and a patent, No. 1946759, issued to

as to the appeal from the examiner of interferences except that it was to the Board of Appeals, but instead of providing for a direct appeal from the decision of the Board of Appeals with the right to proceed later by Bill under Sec. 4915 R. S., Secs. 4911 R. S., and 4915 R. S. were so amended as to provide for an alternative procedure; that is, the losing party could proceed either by direct appeal or by a Bill under Sec. 4915 R. S., but not by both. (At that time the direct appeal was to the Court of Appeals of the District of Columbia but by the Act of 1929 that jurisdiction was transferred to the Court of Customs and Patent Appeals.)

Section 4911 R. S. was amended by the Act of 1927 to provide that any party to an interference who was dissatisfied with the decision of the Board of Appeals could appeal to the Court of Appeals of the District of Columbia (now the United States Court of Customs and Patent Appeals) provided "that such appeal shall be dismissed if any adverse party to such interference shall within twenty days after the appellant shall have filed notice of appeal according to section 4912 of the Revised Statutes (U. S. C., title 35, sec. 60), file notice with the Commissioner of Patents that he elects to have all further proceedings conducted as provided in section 4915 of the Revised Statutes." It was further provided that the appellant should have thirty days in which to file the bill in equity and "in default of

which the decisions appealed from shall govern the further proceedings in the case.” Section 4915 R. S. was amended by providing that upon refusal of a patent by the Commissioner the applicant “unless appeal has been taken from the decision of the Board of Appeals to the United States Court of Customs and Patent Appeals, and such appeal is pending or has been decided, in which case no action may be brought under this section”, shall have remedy by bill in equity.

In two cases, namely, *MacGregor v. Chesterfield*, 31 F. (2d) 791 (District Court), and *Heidbrink v. McKesson*, 53 F. (2d) 321, (C. C. A. 6) it was held that a patentee involved in an interference, who had lost before the Board of Appeals, could not file a bill in equity. In the case of *Farmer et al. v. Schweyer*, 19 C. C. P. A. 1247, 58 F. (2d) 1056, the Court of Customs and Patent Appeals ruled that since a patentee was not authorized by Sec. 4915 R. S. to bring a suit under the provisions of that section to review a decision of the Board of Appeals, he could come to that court, notwithstanding that the opposing applicant in the interference had filed a notice of election in accordance with the provisions of Sec. 4911 R. S., and refused to dismiss the appeal which had been taken to that court. The case was subsequently decided by the Court of Customs and Patent Appeals on its merits (*Farmer et al. v. Schweyer*, 21 C. C. P. A. 865, 68 F. (2d) 961).

The facts of that case are identical with the facts of this and when the request to issue an order dismissing the appeal noted by the patentee Preston and Preston was filed, the Commissioner of Patents declined to enter an order of dismissal. The appeal to the Court of Customs and Patent Appeals was perfected and given docket No. 3960. A hearing in that case on a motion to dismiss the appeal brought by the applicant White, petitioner here, is set for hearing in the Court of Customs and Patent Appeals on November 1, 1937.

The question here is as to the authority of the U. S. District Court for the District of Columbia to order the Commissioner to take an action which is not only contrary to the decision of the Court of Customs and Patent Appeals in *Farmer et al. v. Schweyer, supra*, but which, if taken and a patent issued to White on his application, would deprive the Court of Customs and Patent Appeals of the jurisdiction to determine the question of priority between the parties which in the *Farmer et al. v. Schweyer* case it had held that it had jurisdiction to determine.

Furthermore, if that patent should be issued to White before the Court of Customs and Patent Appeals renders a decision on the now pending motion in appeal No. 3960 in that Court, it would render that case moot, since there is no statute providing that the Court of Customs and Patent Appeals may decide the question of priority between two patentees.

It is submitted therefore that while the petition is for a mandamus directed to the Commissioner, in effect it is a petition for a mandamus to the Court of Customs and Patent Appeals directing it not to take jurisdiction in this case although it had held in a previous decision, where the facts were exactly the same, that it had such jurisdiction.

No statute is cited which gives the United States District Court for the District of Columbia any authority to determine whether the United States Court of Customs and Patent Appeals has jurisdiction under a given set of facts or not. Nor has any ruling of any court been cited to that effect. Nor has any decision been cited which gives the United States District Court for the District of Columbia, or this Court, jurisdiction to consider and overrule a decision of the Court of Customs and Patent Appeals.

It should be noted that the jurisdiction of appeals from the Patent Office, transferred to the Court of Customs and Patent Appeals by the Act of 1929, is exactly the same jurisdiction which this Court had prior to that act. Under the amended Act of 1927 appeals from the Patent Office were still to be to this Court.

If the question raised in the *Farmer et al.* case before the Court of Customs and Patent Appeals had been raised before this Court and decided in the same way, can anybody suppose that the Supreme Court of the District of Columbia would have issued a mandamus which would have compelled the Com-

missioner to proceed directly contrary to the decision of this Court? Where then can be found the authority for the District Court to compel the Commissioner to so proceed with reference to a decision of the Court of Customs and Patent Appeals, and where can be found the authority for this Court to direct the District Court to do so?

It is well settled that in all actions taken in interference proceedings and with reference to the granting of patents, the Commissioner of Patents is vested by statute with wide authority. This was recently held by this Court in *United States Ex rel. American Gas Accumulator Company v. Coe*, 66 App. D. C. 21, 84 F. (2d) 398, 1936 C. D. 48.

In that decision this Court said that the Commissioner of Patents in considering an application for patent is vested with authority to determine whether or not an interference should be instituted and to pass upon proceedings in interferences, and further stated that in exercise of this authority he acts in a *quasi* judicial capacity and that his discretionary action can not be controlled by mandamus or injunction. Citing *Butterworth v. Hoe*, 112 U. S. 50.

Attention is also called to the decision of the Supreme Court of the United States in *Ewing v. Fowler Car Co.*, 244 U. S. 1, 1917 C. D. 409, in which the Supreme Court reversed the actions of this Court and the District Court in granting a petition for mandamus, pointing out that the Com-

missioner of Patents had there been proceeding under his discretionary authority under the statute.

While the District Court has authority to issue a mandamus compelling the Commissioner of Patents to perform a ministerial duty, the Supreme Court, with reference to the question how far that authority extends, said in the case of *Wilbur v. United States ex rel. Kadrie et al.*, 281 U. S. 206:

* * * Where the duty in a particular situation is so plainly prescribed as to be free from doubt and equivalent to a positive command it is regarded as being so far ministerial that its performance may be compelled by mandamus, unless there be provision or implication to the contrary. But where the duty is not thus plainly prescribed but depends upon a statute or statutes the construction or application of which is not free from doubt, it is regarded as involving the character of judgment or discretion which cannot be controlled by mandamus.

It will be remembered that the question here is as to the interpretation to be placed upon the two sections of the statutes viz, 4911 and 4915 R. S. The appellant here argues at length in his brief that the construction placed upon the statute by the Court of Customs and Patent Appeals in the *Farmer et al.* case, is wrong but, in the face of that decision, can it be said that the duty laid upon the

Commissioner of Patents by those statutes is so "plainly prescribed" as to be "free from doubt." It is submitted that to ask that question answers it, and that mere fact alone is sufficient to have justified the court below in denying the mandamus and to justify this Court in affirming the decree below.

Furthermore, the statute (Sec. 4911 R. S.) is silent as to who shall dismiss the appeal when, after notice of appeal to the Court of Customs and Patent Appeals an adverse party files a notice of election to have the case conducted in equity.

It is a fact that the Commissioner of Patents has issued notices of the dismissal of the appeal assuming that the statute intended that the notice should be issued by him. Is it, however, so clear that that duty rests upon the Commissioner, and not upon the Court of Customs and Patent Appeals, that this Court can order a mandamus to require the Commissioner to dismiss the appeal?

It is too well settled to require decisions that no court ever orders a vain thing to be done. Suppose the Commissioner were by mandamus required to enter an order of dismissal of the appeal noted by Preston and Preston from the decision of the Board of Appeals of the Patent Office. Would that dismissal be binding upon the Court of Customs and Patent Appeals? And, would it deprive that court of the authority to refuse to dismiss the appeal on the now pending motion and set that appeal for hearing on its merits?

Nor, is it submitted, had the District Court any authority to compel the Commissioner to take such action by the issuing of a patent to White, the petitioner here, that the appeal to the Court of Customs and Patent Appeals, by Preston and Preston, would there raise only a moot question in that court.

The matter has been stated as above in the attempt to show that this petition, while it asks for a mandamus against the Commissioner of Patents requiring him to take certain stated actions, is in reality a petition for mandamus to compel the Court of Customs and Patent Appeals not to take an action. If this court has no direct authority to review the actions of the Court of Customs and Patent Appeals, which now is possessed, by statute, of the same jurisdiction over the patent appeals that this court possessed prior to the Act of 1929, how can it then order a mandamus to be issued when, if the Commissioner carried out the direction of the mandamus, it would have direct effect on the action of the Court of Customs and Patent Appeals?

It is submitted that it is perfectly apparent that what is asked for in the mandamus is a ruling by this Court that the decision of the Court of Customs and Patent Appeals in *Farmer et al. v. Schweyer, supra*, was absolutely wrong and that a mandamus be issued compelling the Commissioner to ignore that decision, or in other words,

for this Court to take such action as would nullify the ruling of the Court of Customs and Patent Appeals so far as the Patent Office is concerned.

Appellant has filed a brief of some 57 pages, a very large portion of which is devoted to an argument as to the error that the Court of Customs and Patent Appeals fell into when it rendered the *Farmer et al. v. Schweyer* decision. That, however, might be a very pertinent argument to petitioner's motion in that court to dismiss the appeal taken there by Preston and Preston, but it is submitted that it can have absolutely no bearing on the question of the authority of the courts of the District of Columbia to issue the mandamus prayed for. The Court of Customs and Patent Appeals has been given a certain jurisdiction by statute and its acts taken within that jurisdiction are not, it is submitted, controllable by the courts of the District of Columbia.

If the statutes are so worded as to work a hardship on an applicant in a case where he was the successful party, and a patentee the unsuccessful party in an interference, then that, it is submitted, cannot be corrected by issuing a mandamus to enjoin certain actions of the Commissioner of Patents but only by an amendment to the statute. It is submitted that neither the fact that it might be some years before such an amendment could be obtained nor the fact that the applicant can not obtain a review of the decision of the Court of

Customs and Patent Appeals by the Supreme Court of the United States constitutes no basis for any action by this Court.

While, as above stated, a large portion of appellant's brief is devoted to the argument that an improper construction was placed upon the statute by the Court of Customs and Patent Appeals and it is repeatedly stated that mandamus is the proper remedy in this case, neither statute nor decision is cited by appellant in support of that statement.

It is submitted that the decree of the court below was clearly right and should be affirmed with costs against the appellant.

R. F. WHITEHEAD,
Solicitor for the Patent Office,
Attorney for Appellee.

OCTOBER 1937.

IN THE
**United States Court of Appeals
for the District of Columbia**

APRIL TERM, 1937

No. 7021

SPECIAL CALENDAR

UNITED STATES OF AMERICA
EX RELATIONE JOHN WILLIAM WHITE, *Appellant*
vs.

CONWAY P. COE, COMMISSIONER OF PATENTS, *Appellee*

**APPEAL FROM THE DISTRICT COURT OF THE
UNITED STATES FOR THE DISTRICT
OF COLUMBIA**

**SUPPLEMENTAL BRIEF FOR APPELLANT
WHITE**

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IN THE
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**APPEAL FROM THE DISTRICT COURT OF THE
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**SUPPLEMENTAL BRIEF FOR APPELLANT
WHITE**

At the hearing before the Court, the decision of *Wettlaufer v. Robins* of the Second Circuit Court of Appeals was discussed, the same having been rendered only two days theretofore, on November 8, 1937, in a decision handed down by Swan, Circuit Judge.

That decision holds that after a patentee, in interference with an applicant, appeals to the Court of

Customs and Patent Appeals and there wins (*Robins v. Wettlaufer*, 81 Fed. (2d) 882), the applicant thereafter may bring a Bill in Equity under R. S. 4915, notwithstanding that said R. S. 4915 specifically states that:

“Whenever a patent on application is refused by the Commissioner of Patents, the applicant, unless appeal has been taken from the decision of the Board of Appeals to the U. S. Court of Customs and Patent Appeals, and such appeal is pending or has been decided, *in which case no action may be brought under this section*, may have remedy by Bill in Equity.”

We have, throughout our main brief, emphasized the possible loss of an equitable remedy in the event that White is dragged into the Court of Customs and Patent Appeals against his election and that Court finds against White and reverses the Board of Appeals.

Wettlaufer v. Robins on its face would seem to cure this loss and we are glad that the New York Court recognized the value of the right to a remedy in equity. But the decision of *Wettlaufer v. Robins* does not necessarily depend on the proposition that the Court of Customs and Patent Appeals has jurisdiction of appeals brought by patentees where the adverse party files a Notice of Election. In fact, a holding of lack of jurisdiction is even more compelling as a reason for reaching the same result as that reached in the Circuit Court's decision. If there is held to be a lack of jurisdiction, the appeal to the Court of Customs and Patent Appeals is a nullity, there is no need to construe the “unless” clause of Section 4915 quoted, and there can be no question of the right of the applicant who is refused a patent to bring his equity suit.

Moreover, the decision of the New York Court emphasizes the necessity of dismissing the suit in the Court of Customs and Patent Appeals. If the Court of Customs and Patent Appeals continues to retain jurisdiction of such appeals, the intent of Congress in amending 4911 and 4915 so that appeals should be cut down is nullified. The purpose of the amending legislation as expressed by former Commissioner Robertson (quoted at bottom of page 19 of our brief) and as emphasized throughout the Congressional proceedings, was to cut out successive appeals to the Administrative Court and then to the Equity District Courts. If the appeal brought by the party Preston is dismissed, this purpose is effectuated. If not, *because of the New York decision*, the Congressional intent is defeated. After Preston and Preston's appeal is decided by the Court of Customs and Patent Appeals there can be one or more equity suits. If White wins, Preston and Preston may bring an action under 4918. If Preston and Preston win, White may bring an action under 4915 in accordance with the Wettlaufer decision. This cumulation of appeals is contrary to the intent of Congress, and is perpetuated by the Farmer decision as is witnessed by the Wettlaufer decision, but the cumulation of appeals is destroyed and the intent of Congress is effectuated by the reversal of the Farmer decision. We insist that we should not be subjected to these successive appeals against the intent of Congress.

The New York decision also emphasizes the absurdities of construction to which the Farmer decision leads. Not only is it necessary, in adopting the Farmer construction, to construe Section 4911 by limiting the words "adverse party" and the clause "Thereupon the appellant shall have thirty days thereafter within

which to file a Bill in Equity under said Section 4915," but it is also necessary to construe the "unless" clause of 4915 as was done in the Wettlaufer decision. For in the Wettlaufer case the Court said:

"Literally the words of the 'unless' clause would seem to include a decision on appeal regardless of which party took an appeal, but the plaintiffs persuasively argue that they should be construed to refer only to an appeal by an applicant unsuccessful before the Board of Appeals and not to an appeal by a patentee interferant defeated before the Board."

Moreover, the procedure of the Wettlaufer case throws the extra burden of bringing a Bill in Equity and the burden of proof on White, whereas R. S. 4911 intended that upon the adverse party's election the appellant in the Court of Customs and Patent Appeals should also have the burden of bringing the Bill in Equity and the burden of proof.

The decision of Wettlaufer v. Robins appears based on the theory that the Farmer v. Schweyer decision precludes any election under 4911 by an appellee in the Court of Customs and Patent Appeals, and to preserve the equity remedy under 4915, it is necessary to hold the "unless" clause of 4915 quoted above as not applicable to a patentee applicant interference appeal resulting in a decision favoring the patentee.

In view of the decision in the Wettlaufer case, our preferred stand is that R. S. 4911 should be strictly and literally construed. That is, a patentee's appeal is dismissed when an opposing party files a timely Notice of Election. Upon default of the appellant to file a Bill in Equity within thirty days for any reason, such as, no desire to contest the case in equity, or belief that such a Bill would not be entertained,

“ * * * the decisions appealed from shall govern the further proceedings in the case * * * ” (R. S. 4911).

No Court of competent jurisdiction has yet refused to entertain a Bill of a patentee appellant brought under R. S. 4915 as a result of his appeal to the Court of Customs and Patent Appeals and his adversary's election. No patentee appellant has attempted to bring such a Bill under the circumstances of appeal to the Court of Customs and Patent Appeals and an adversary's election to proceed under 4915.

Our steadfast position is that upon an appeal to the Court of Customs and Patent Appeals and upon an election, the appeal shall be dismissed. Regardless of who may say the appeal is dismissed, we submit that in law, the appeal is dismissed upon such election automatically regardless of whether the Commissioner of Patents does or does not wish to recognize such dismissal and if such appeal is dismissed in law and appellant Preston and Preston is in default, this Court can direct the issuance of the Writ of Mandamus directing the Commissioner of Patents to proceed and be “govern(ed)” by the “decisions appealed from.”

When the Court of Customs and Patent Appeals' jurisdiction is destroyed by election, it thereafter has no jurisdiction, and is in the same position as the Secretary of Interior in the Supreme Court case of *Butterworth v. U. S. ex rel Hoe*, cited in our main brief.

It is difficult for us to understand the Commissioner's attitude. In 1927 he was in favor of reducing the number of appeals, for Mr. Robertson said before the Senate hearing “So we have struck the happy medium of permitting him (appellant) to take one of those courses but not both” (our brief, pages 12 and 20);

but the Commissioner seems to have temporarily forgotten the utter chaos present prior to 1927 when he now insists that in a patentee interference, a patentee, losing before the Board, may appeal to the Court of Customs and Patent Appeals willy nilly and losing there may bring an equity action under 4918. Thus there is both an administrative appeal and an equity appeal.

The former attitude of the Commissioner also seems forgotten when he approves of *Wettlaufer v. Robins* which further says a case can be tried in the Court of Customs and Patent Appeals and then by Bill in Equity, where the patentee wins in the Court of Customs and Patent Appeals after losing before the Board.

In 1927, the Commissioner of Patents thought one appeal or the other was enough but not both, but now in approving the *Farmer and Schweyer* and *Wettlaufer* decisions he is now insisting that patentees in interferences (where the patentee loses before the Board) should have both remedies. This is clearly contrary to the intent of Congress in reducing appeals.

We submit that this Court can end the needless confusion and the otherwise necessary "judicial legislation" merely by reversing the lower Court and ordering the grant of a Writ of Mandamus as prayed, in accordance with the *Butterworth v. Hoe* decision.

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